

Two Forty Place Association

HOA May 2025 Annual All Homeowner Meeting | MINUTES

May 20, 2025 | 6:00 pm | South Oklahoma City Chamber of Commerce

Meeting called by	Talitha Falconer - President	Talitha Falconer - President
Type of meeting	Annual All Homeowner	Jerry Wiglesworth – Vice President
Facilitator	Talitha Falconer - President	Chet Whitnah – Secretary and Treasurer
Note taker	Shella - bookkeeper	Mike Petro – Committee Chairman
Timekeeper	Chet Whitnah - Treasurer	Sarah Reihart – Assistant Secretary

Meeting called to order and board members are introduced.

- Board members: Talitha, Jerry, Mike, Chet, and Sarah
- Bookkeeper and accountant: Shella and Lori

Jerry introduced new community plumbing company Red Plains Plumbing talking about the mandatory inspections because of community water bill being doubled.

Spoke about community handyman Juan contact information and all he can do to help individual homeowners with their needs.

Condo sales in the community for the past year and profit they have made.

Month	Purchase price	Profit
August 2024 (2-bed)	\$125,000	\$25,000
November 2024 (2-bed)	\$112,000	\$27,000

May 2025 (1-bed)

\$91,500

\$23,500

Profit is directly related to degree of remodel each unit has.

4 units for sale as of this meeting – 1 homeowner owned, 3 investor owned

Status of Homeowner occupied vs Investor owned

Homeowner occupied 57.69%

Investor owned 42.31% (16 investors make up 22 units)

Homeowner owned increased 8% in 5 years.

Financials as of the date of the meeting.

Savings and Checking Account \$108,384

Interest on CD \$325.22 monthly

Current CD balance \$107,705.38

*Explained budget and how 52 people fund every project in the community.

*Displayed water bill and how it has doubled in the last year with highlights from 2023, 2024, 2025.

***Insurance Rates Increase**

Quarterly payments	Total Premium
2023 \$14,767.31	2023 \$59,069.24
2024 \$15,336.00	2024 \$61,344.00
2025 \$20,793.00	2025 \$83,172.00 (increase of \$21,828.00)

HO6 Policy on homeowners' insurance

Explained what an HO6 policy is and for homeowners to make sure they have it at an amount at least or above \$10,000.

Loss assessment coverage, which offers reimbursement to pay HOA special assessments for repairs.

Loss Assessment Coverage

This optional coverage is also called "special assessment insurance." It helps cover costs in situations where the condo association's master policy won't.

For example, say a fire damages the elevator and hallway in your building, causing \$350,000 worth of damage. If the condo association's master policy has \$300,000 in coverage for the building's structure, that leaves a \$50,000 shortfall. The condo association could divide this remaining cost among the building's condo owners.

Loss assessment coverage can pay for this additional cost. Without it, you could face large and unexpected costs.

What Is Loss Assessment Coverage?

Loss assessment coverage is add-on coverage to the homeowners insurance or condo insurance policies, which can help pay your portion of a claim against a master policy for the community. A homeowner or condo association's master policy provides insurance for the building and common areas.

How Does Loss Assessment Insurance Work?

Homeowners insurance and condo insurance policies often provide up to \$1,000 in loss assessment coverage to help pay for a deductible or claims beyond the master policy's coverage limits. You might be able to add another \$10,000 to \$100,000 in loss assessment coverage as an optional endorsement to your homeowners or condo policy.

For example, let's say a hurricane causes significant structural damage to your condo building, and the condo association's master policy covers all but \$75,000 of the damage. That coverage may get split among condo owners as a loss assessment. If you don't have loss assessment coverage, you'll pay those costs out of pocket. Loss assessments can be unexpected and costly.

A condo association's master policy is different from your condo insurance policy. Your condo policy covers only what happens within your walls, while a master policy for the community covers the building and common areas.

What Does Loss Assessment Cover?

Loss assessment insurance covers damage and losses beyond a master policy when you're billed for the remainder. This includes:

- Liability claims for incidents in shared areas like courtyards.
- Property damage in common areas like the building, such as a roof.
- Medical expenses for injuries in common areas that the association is liable for.

Who Needs Loss Assessment Coverage?

Loss assessment coverage can be a wise choice for a homeowner or condo owner who is in an association and who may not be able to afford to pay their share of a costly master policy claim that the community is responsible for.

Condo owner association master policies have deductibles and coverage limits. If the association's coverage isn't enough to cover damage or injury claims, condo association bylaws often make owners responsible for the additional costs. They split the uncovered expense among all condo owners in the form of a loss assessment.

Are All Assessments Covered?

Loss assessment coverage doesn't pay for property improvements that aren't connected to an issue covered by your insurance policy. For example, loss assessment insurance won't help pay for a new swimming pool or gazebo in your condo complex unless it was damaged by something covered by the policy, like a fire.

Tips for Buying Loss Assessment Coverage

- **Review your association's bylaws.** Understand the provisions in your condo or homeowners association bylaws regarding loss assessments. You'll want to be familiar with the circumstances under which assessments can be imposed.
- **Know your association's master policy.** Check the association's master policy so you can understand its coverage limits and deductible. You should also make sure the association is paying its premiums. If not, the master policy can lapse and leave you with unexpected costs if there's a claim.
- **Read your policy closely.** Insurance policies often have \$1,000 in loss assessment coverage. Talk to your insurance agent about whether that's enough or if you need more coverage. Review potential problematic common areas like swimming pools or the roof to gauge your risk of a future assessment. Ask your insurance agent about any exclusions to your loss assessment coverage.

Cost of Loss Assessment Insurance

A loss assessment coverage endorsement on a condo insurance policy may cost as little as \$10 to \$25 per year for \$100,000 coverage, says Karen Collins, assistant vice president of personal lines for American Property Casualty Insurance Association.

The cost of loss assessment insurance will be on top of your condo or homeowners insurance bill. The average cost for condo insurance is \$445 a year for a condo policy with \$100,000 in personal property coverage, \$300,000 for liability coverage and a \$1,000 deductible, according to Forbes Advisor's analysis. The exact cost varies by insurance company, where you live, your claims history and how much coverage you need.

What If You Don't Have Loss Assessment Coverage?

If you don't have loss assessment coverage you may put your condo and finances at risk. If an expensive claim is made against the community master policy, you'll have to pay your share of any community assessment. There can be serious consequences if you don't pay.

For instance, a condo owner without loss assessment coverage may struggle to pay their share of the special assessment and become delinquent. The association could then implement late fees and fines, get a lien on your property, garnish wages or restrict access to common areas like a pool.

Condo insurance typically has \$1,000 loss assessment coverage baked into the policy. But if you need more coverage, you can add a higher coverage amount.

What is an example of loss assessment?

A loss assessment could come after a devastating fire or severe weather destroys your condo building. If the condo association's coverage isn't enough to cover all the repairs, the condo board might divide the rest of the costs up among the condo owners as a loss assessment.

Loss assessment coverage on a homeowners insurance or condo insurance policy can help pay your share of the community special assessment.

Let's say you own a condo and a fire causes \$495,000 worth of damage to the part of the building that is the responsibility of the HOA. Your condo association's community master policy only covers up to \$300,000 and has a \$5,000 deductible. In that case, condo owners may need to figure out how to make up the \$200,000, which includes the damage not covered by the policy and the deductible—or make less expensive repairs.

If there are 100 condo owners in the complex, you may owe \$2,000 for a loss assessment in this case. That would come out of your pocket unless you have loss assessment coverage.

Is loss assessment the same as a deductible?

A loss assessment is your share of a cost that a homeowners or condo association has to pay to repair common areas of the property.

An insurance deductible and a loss assessment are not the same. A deductible is the amount subtracted from a claim payment.

Does condo insurance cover assessments?

Condo insurance typically includes a small amount of loss assessment coverage and you can buy additional coverage. Loss assessment insurance will pay if your association's community master policy can't cover part of an insurance claim for liability, property damage or injuries.

Problems in community

Visitor Parking

Throwing trash on the ground

Power outages

Packages stolen

Dumping big trash daily

Dogs Barking

Dogs off leash

Dog Park

Dog poop on patio/garage/grass

Stray cats – coming in from outside other places, food outside, skunks/possums/rodents

Plumbing inspections
Fireplace inspections
Large trees growing in patio area
Crime
Homeless (we don't feed, clothe, and shelter)
Parking in fire lanes (blocking others ability to get in and out)
Pipes busting
Community Garage Sale
Faucet covers
Rodent bait stations

Financial income breakdown

Chart showing in 2022 where each unit \$400 per month is broken down for each community bill. This chart showed \$100 per month going into savings which is how we saved \$100,000 in the CD.

Chart showing in 2025 where each unit \$400 per month is broken down for each community bill. No money is being put into savings. It costs \$408 per month to pay the community bills. The Board will have to decide how we pay the bills and continue community improvements when we aren't taking in enough to pay the bills.

Board Member election – all current board members voted in successfully for another year.

One additional homeowner, Laura Kairuz, ran for a board position but did not obtain enough votes.

Amendments voted on:

1st DECLARATION AMENDMENT: Article X(1) of the Declaration is hereby amended by inserting the following at the end thereof:

ARTICLE X

RESTRICTIONS AS TO USE

- (a) Unless the Unit Owner has received prior written approval by the HOA Board, the Unit Owner shall also reside (i.e. have his/her permanent residence) at the Unit. Owner financing to a renter, where the Unit Owner serves as a lender or mortgage holder and a renter/finanee resides in the unit, are not allowed without prior written approval by the HOA Board.

2nd DECLARATION AMENDMENT: Article XVI of the Declaration is hereby amended by inserting the following at the end thereof:

ARTICLE XVI

DUTIES AND POWERS OF ASSOCIATION

- (j) The Association may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is

appropriate (such as architectural violations). If such a fine policy and schedule is adopted by the Association, the Association shall distribute it to each Owner. The Board may levy a reasonable fine in accordance with the Association's fine policy and schedule and/or in the range specified in any Notice of Hearing. The Association may file a lien to preserve its rights to later file a judicial foreclosure action. In imposing any fine, the Association, in its sole discretion, may choose to suspend some or all of the fine for a period of time pending compliance with a directive of the Association.

(j) The Association by and through the Board may address violations of the rules and regulations of the Association in accordance with the following procedure:

(i) Notice: Notices and requests must be in writing and may be delivered to Owners by personal delivery or Individual Notice. Notices from the Association must be sent at least 10 days prior to any hearing and shall include at a minimum, the date and time for the meeting at which the Board will consider disciplinary action, a brief description of the action or inaction constituting the alleged violation, and a statement that the Owner has a right to attend the meeting and may address the Board.

(ii) Hearing. With a quorum of the Board present, the Board will review the facts and determine whether or not a violation has occurred and, if so, what action shall be taken. Action may include a directive to the Owner and/or resident, levy of a Reimbursement Assessment and/or imposition of a fine. The Owner or the Association may require that the hearing be conducted in Executive Session.

(i) Statement of Decision. The Association shall provide written notice of the outcome of the hearing to the Owner within fifteen (15) days following the hearing.

(i) Schedule of Fines. Proper notice must be given by the board prior to charging fines.

<u>Violation</u>	<u>Fine</u>	<u>Basis</u>
Open garage for more than 24 hours	\$25	Each incidence
Rubbish accumulation inside or outside unit	\$25	Each incidence
Noise or noxious odor nuisance	\$25	Each incidence
Pet waste inside or outside of unit	\$25	Each incidence
Other community offenses	\$25	Each incidence
Owner parking in visitor spaces	\$25	Per day
Failure to acquire or maintain liability insurance	\$100	Per month
Use of a unit for business purposes	\$100	Per month
Non-owner occupation	\$100	Per month
Unit sale without notice to HOA	\$100	Per incidence

Remodeling of unit / structural or wall damage \$100

Per incidence

3rd DECLARATION AMENDMENT: Article XVIII(4) of the Declaration is hereby replaced in its entirety with the following:

ARTICLE XVIII

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AS TO THE COMMON ELEMENTS

4. Decoration and Maintenance of Unit Interiors and Exteriors and Limited Common Elements. The Unit Owners may decorate the interiors of their Units in any manner they see fit, provided that no structural changes may be made to the Unit, or to the Common Elements, or to the Limited Common Elements, without prior written approval by the Board. Interior walls of the Unit, Common Elements, or Limited Common Elements, shall not be removed or modified in any way without prior written approval by the Board. No Unit Owner shall cause any improvements or changes to be made on the exterior of any Building, including painting or other decoration, the installation of awnings, shutters, electrical wiring or other things which might protrude through or be attached to the exterior walls of the building. Each Unit Owner shall bear the cost of and be responsible for the painting, upkeep and maintenance of any and all interior walls, fireplaces, ceiling and floor surfaces, fixtures, painting, decorating and furnishings and all other accessories which such Unit Owner may desire to place or maintain in his unit. Items other than blinds or shades shall not be placed on the inside of a window that are visible from the outside (for example paper, cardboard, or any reflective material).

Garage. Garage doors shall remain closed except for when owner is either entering, leaving, or otherwise occupying the garage. Garage doors shall remain closed at all times when the owner is not on the premises. At no time should a garage door remain open for more than twelve consecutive hours. Unit owner shall ensure that garage door openers shall remain in good working order.

Heating. Owners shall ensure the temperature in their unit is above freezing at all times so as to prevent pipe freezing and pipe breakage in their unit. Should water leaks occur in owner's unit, that owner shall be responsible for immediately shutting off the water and repairing water damage to their own unit. A unit owner that fails to comply with this section such that they allow the pipes in their unit to break and cause water damage, shall be financially responsible for any damage caused to any other unit.

Results of amendment vote: A quorum was met.

Article Amendments that passed:

ARTICLE XVI - DUTIES AND POWERS OF ASSOCIATION

ARTICLE XVIII - RIGHTS AND OBLIGATIONS OF UNIT OWNERS AS TO THE COMMON ELEMENTS

Article Amendment that failed:

ARTICLE X - RESTRICTIONS AS TO USE

The board adjourned the meeting.